



## Montana Economic Developers Association

118 E. Seventh St.; Suite 2A Anaconda, MT 59711  
ph: 406.563.5259 fx: 406.563.5476

January 23, 2007

Senate Taxation Committee  
Senator Jim Elliot, Chair  
Montana State Senate  
State Capitol  
PO Box 200400  
Helena, MT 59620-0400

**Re: SB 268 Cut surface mines coal severance tax by one-half**

Dear Senator Elliot,

The Montana Economic Developers Association (MEDA) represents over 200 professionals who work for local economic development organizations across the State of Montana. Our membership is devoted to increasing the effectiveness of local economic development efforts across Montana, and the present economic prosperity our state enjoys is in no small part due to their work. Among the key programs that our members have come to depend upon as they work to foster economic growth are the Treasure State Endowment Program (TSEP) and the Big Sky Economic Development Trust Fund.

Cutting the surface mines coal severance tax by one-half would reduce the interest earnings that fund these critical programs. Big Sky Economic Development Trust Funds are used by the Montana Department of Commerce Business Research Division for a variety of economic development efforts, and the interest earnings on TSEP are used for various infrastructure projects throughout Montana which serve as a catalyst for viable economic development.

Should SB 268 pass, the impact on these two essential programs would jeopardize the success of future economic development efforts across Montana. Our membership is devoted to ensuring that future generations of Montanans can continue to enjoy a prosperous life in our great State. We are committed to broadening our State's economic foundations to make this future possible. The Treasure State Endowment Program and the Big Sky Economic Development Trust Fund are essential tools in these efforts and should continue to be fully funded. On behalf of MEDA's membership, I strongly urge you to oppose this bill.

Sincerely,

Rick Edwards, President

Cc: MEDA Board of Directors

JOIN US AT <http://www.medamembers.org>

BOARD OF DIRECTORS: RICK EDWARDS, PRESIDENT, BUTTE \* JONI STEWART, VICE PRESIDENT, CUT BANK \*  
\* JOSEPH MCCLURE, TREASURER, BILLINGS \* DICK KING, PAST PRESIDENT, MISSOULA \* GLORIA O'ROURKE, SECRETARY \*  
\* JIM DAVISON, ANACONDA \* BETTY POHLMAN, HELENA \* JIM SMITHAM, BUTTE \*  
\* CAL ORAW, SIDNEY \* ANNE BOOTH, MALTA \* LARRY MIRE, GLASGOW \*  
\* JOHNEL BARCUS, BROWNING \* SHELDON BARTEL, HELENA \* MIKE CARLSON, SIDNEY \* ANDY POOLE, HELENA \*  
\* TRACEY JETTE, BOZEMAN \* ELIZABETH MARCHI, KALISPELL \* CHERYL MACARTHUR, GREAT FALLS \*  
\* PAUL TUSS, HAVRE \* BRETT DONEY, GREAT FALLS \* KEN RICHARDSON, MISSOULA \*